

CALL RUMELY A KEY TO INNER SPY CABAL

Federal Agents Expect to
Reach Circle Through
Publisher.

FOR REWARD AFTER WAR

Trade Favors and Personal
Honors Believed to Have
Been Plotters' Aim.

Indications that the arrest of Dr. Edward A. Rumely and the seizure of the *Evening Mail* were no more than preliminary moves in a game which the Government at last finds itself ready to play out with enemy propagandists in America cropped up on every hand yesterday.

Compared to the men the Federal authorities are believed to be really after the accused publisher is regarded as only a tool, but a tool which in the hands of Department of Justice workmen will likely prove to be double edged.

"Rumely is one of those sometimes misguided and often deceived persons who have been standing at the outer edge of the inner circle of German propaganda," said a man who has been in close touch with the investigation. "It is that inner circle which the Government has set out to break up, and all evidence shows that Rumely holds the key to it. The first thing to do was to nail him—and he's been nailed."

Circle Still in Operation.
The so-called "inner circle" has been in operation since the beginning of the war, and the authorities are convinced, it is still in operation. It is made up of men who have not hesitated to put their wealth and their influence at Germany's command, even since the United States entered the war.

The handwriting of this "inner circle" frequently has been seen by Government agents within the last year, in moves here and there throughout the country, either to create opinion favorable to Germany while the war is on or to pave the way for Germany's commercial and moral rehabilitation at the war's end.

It is not the theory of the Government that these secret allies in the United States expect cash reimbursement from the Kaiser for money spent and risks taken, but that they expect business favor and personal glorification from Germany and in Germany when peace has been restored.

Information has reached the Federal investigators that Dr. Rumely maintained secret headquarters at the Hotel Belmont while he was in control of the *Mail*, and that he had many conferences with men who were never by any chance to be seen at the *Mail's* publication office. Efforts are being made to uncover the identity of the Belmont conferees, but it is anticipated that Rumely will display an inclination to talk more freely when he comes to fuller realization of the gravity of his position.

That Rumely is not yet in a talkative mood was indicated by the non-appearance of the statement which Monday he promised he would make "within twenty-four hours." Frederick J. Powell, who is preparing a defense against the Government's charge that the publisher perjured himself in a return designed to deceive the Allen Property Custodian as to the real ownership of the *Evening Mail*, said in the afternoon that no such statement would be forthcoming.

Has Direct Evidence.
Apparently, though, the Government was not depending solely on Dr. Rumely for the information it seeks, for it was reported in the Federal Building that direct testimony concerning the personnel of the inner circle had already been put before the Grand Jury.

From one witness who appeared in the forenoon, it was said, the grand jurors had heard of a meeting at which the Allen Property Custodian, Dr. Rumely and two American bankers were present. This was in 1915, and shortly before the *Evening Mail*, as the Government alleged, was bought with money raised in German war loan drives in the United States.

The identity of the bankers is known, and it is expected they soon will be before the Grand Jury themselves. Whether they are members of the firms through which the money which bought the *Mail* is alleged to have been passed and repassed is a matter of conjecture.

Slush Fund of \$20,000,000.
According to one story which had its source in Washington, a slush fund of \$20,000,000 had been handled by the pro-German merchants and bankers of the inner circle. While Government agents do not believe that anything like that amount was spent in outright purchases of newspapers—and there is in fact no evidence that any other paper but the *Evening Mail* was bought—vast sums are declared to have been disbursed in the form of subsidies.

Not only is the Government prepared to prosecute what it regards as a prima facie case of perjury against the former publisher of the *Mail*, but it is ready to prove that Dr. Rumely was a warm defender of the naval strategy which delayed the sinking of the Lusitania. Witnesses are held in reserve who will testify that when news of the Lusitania's fate was flashed to America, Rumely said he had knowledge the vessel had been "armed fore and aft and loaded with munitions."

Recalls Pro-German Advertising.
District Attorney Swann's memory concerning what he had learned of Rumely's activities took a turn for the better while the Grand Jury was hearing about the bankers. The doctor, he recalled, had once been accused of having supplied the money which paid for certain pro-German advertisements printed broadcast early in the war.

The advertisements had been placed through the Hammerling Advertising Agency, which specializes in handling copy for foreign language newspapers. Louis N. Hammerling, who is not only head of the agency but president of the American Association of Foreign Language Newspapers, was a visitor at the District Attorney's office last January. He wanted a prosecution for criminal libel begun against Frank Zotti, editor of the *Croatian Narodni List*. The basis of the alleged libel was the advertisement which was published in hundreds of newspapers throughout the United States, April 5, 1915, urging Americans to demand an embargo on the exportation of arms and munitions.

The advertisement was printed in the name of Hammerling's association, and Hammerling said the cost of it was borne by editors of the papers in the association. His complaint against Zotti was that the latter had accused him of drawing on a German slush fund. "Hammerling admitted to me that as a matter of fact the money for the advertisement had come from the *Evening Mail*," said Mr. Swann. "He said he had obtained \$205,000 through Dr. Rumely in three payments. I sent for Dr. Rumely and questioned him. He would not admit he had given any money to Hammerling, but he insisted

NOW IS THE TIME

DON'T wait to accumulate a large sum before you invest it.

Our Guaranteed First Mortgage Participation Certificates take care of small sums or uneven sums or large sums all at the same rate of interest—5%.

Payment of principal and interest guaranteed by the Bond & Mortgage Company. You can't lose—invest at any time—any amount.

TITLE GUARANTEE AND TRUST CO

Capital \$ 5,000,000
Surplus 11,000,000
176 Eway, N.Y. 175 Rensen St., Bklyn.
350 Fulton St., Jamaica.

that it was before the war anyhow and nothing could be done about it if he had.

"I told all I knew to the Department of Justice people and washed my hands of the case," he said.

Hurriedly summoned to Washington after getting out several editions of the reorganized *Evening Mail*, which were in large part given over to quotations from prominent men attesting the loyalty of the new management, Henry L. Stoddard and Paul Block of the bondholders' publication committee left on the Congressional Limited in the afternoon to discuss the *Mail's* future with A. Mitchell Palmer, the Allen Property Custodian. They had been preceded by Francis Garvan, Mr. Palmer's representative in New York, and they took with them the books of the *Mail* and the *Express* Company, the S. S. McClure Newspaper Corporation and the *Mail* Syndicate.

Take Sample Copies.
Elsewhere in their baggage were copies of the *Evening Mail* which have been published since they took hold, and the originals of the previously printed expressions of confidence from Col. Roosevelt, Gov. Whitman, Attorney-General Lewis and others.

Mr. Stoddard strongly intimated that he and Mr. Block, who between them hold two-thirds of the \$700,000 bonds of the *Mail* and *Express* Company, were unwilling to relinquish control of the paper.

"The Allen Property Custodian cannot take over the *Mail*," he said, "for the paper has reverted to the bondholders. There is a clause in the bonds which gives us a right to step in whenever it appears the property is in jeopardy, and certainly it is in jeopardy now. Our rights could easily be established at law by a foreclosure action."

"Nevertheless I am thankful for the intervention of the Government, and I do not anticipate the slightest degree of friction."

Kaufmann and Reisinger Out.
Before he left the *Evening Mail* office Mr. Stoddard had completed his housecleaning by firing the resignation of Walter Kaufmann from the directorate beside that of young Kurt Reisinger, which he had obtained Tuesday. These two had been Dr. Rumely's intimates on the board, and their operations at the time the *Mail* was bought from Mr. Stoddard are under Government scrutiny.

Reisinger figured in the transaction through which Rumely acquired the property, alleged to have cost the German Government \$1,361,000 for a stock unsecured \$100,000 note. Kaufmann is a member of the law firm of Hays, Kauf-

man & Lindheim, one time solicitors to the German Embassy in Washington, and was a factor in the financing by which the *Mail* was bought and maintained.

Mr. Stoddard said when asked what he knew of Dr. Rumely's relations with persons attached to the German Embassy that he had knowledge of one occasion, when his erstwhile associate made a trip from Washington to New York with Count von Bernstorff. He knew that Rumely had an acquaintance with Dr. Albert, paymaster-general for the Teuton plotbonds in America, and said Rumely also had confessed himself a friend of the Kaiser's traveling press agent, Dr. Dernberg.

That Dr. Rumely was not a principal among the propagandists, but rather "on the outer edge of the inner circle," is illustrated by an incident which occurred in the *Evening Mail* office the day the *Arabic* was reported sunk.

Acted Like Plotting Cub.
Count von Bernstorff happened to be in New York, and Mr. Stoddard suggested to Rumely that he wait upon "his friend" at the Ritz-Carlton and learn what attitude he would take toward the new torpedoing.

"I can't do that," Rumely is reported to have protested. "It would not be proper."

Whereupon Stoddard, the veteran newspaper man, gave him such a lecture as the cub reporter of the magazine story habitually draws from his city editor.

"If you were newspaper man enough to know news you'd get a story out of von Bernstorff if you had to take him by the throat and choke it out," he wound up.

The investigation in the *Evening Mail* case has gone far enough to satisfy officials that Dr. Dernberg was the originator of the plan to buy up newspapers and newspaper space to play Germany's game. The Department of Justice has heard of a dinner party, given soon after the purchase of the *Mail*, at which covers were laid for Dr. Dernberg, Dr. Albert, Dr. Rumely and Frank Palmer Stockbridge, who was the first president of the S. S. McClure Newspaper Corporation, and for a time was managing editor of the *Mail*. Stockbridge is said to have quit the paper after a row with Rumely, and probably will be a Grand Jury witness.

Editorial Writer Involved.
Prof. Edwin J. Clapp, formerly of New York University, and more recently on the editorial staff of the *Mail*, found himself under fire yesterday in his new job with the New York-New Jersey Port and Harbor Commission. On learning it was Prof. Clapp who wrote the *Evening Mail's* anti-British editorial, William R. Willcox, chairman of the commission, began an investigation to determine just what the professor's war views are.

"I intend to examine the editorials complained of, and further to look into Prof. Clapp's activities since the United States has been at war," said Mr. Willcox. "If any taint of pro-Germanism is discovered his services shall be dispensed with."

Prof. Clapp, one of the world's foremost authorities on harbors, has been engaged for the last three weeks in making such a survey of the port of New York as he had made of the ports of Hamburg, Liverpool and Boston.

STODDARD AT CAPITAL.
With Paul Block Visits Allen Property Custodian's Investigator.

Special Despatch to THE SUN.

WASHINGTON, July 10.—Henry L. Stoddard and Paul Block, representing the bondholders of the *Evening Mail*, were in conference this evening with A. Mitchell Palmer, the Allen Property

Custodian, and Francis P. Garvan, the head of Mr. Palmer's Bureau of Investigation, regarding the future of the newspaper whose control they temporarily assumed yesterday.

Mr. Stoddard and Mr. Block arrived here on the Congressional Limited and went immediately to Mr. Garvan's residence. The question for discussion was whether they should be left in control or whether the Allen Property Custodian should take over the property for the Government, as being enemy owned. While Mr. Palmer refused to make any statement concerning the conference, it appeared to-night that the Government was not at all anxious to assume control of the newspaper, and indications were that it would be left in the hands of the major bondholders represented by Mr. Stoddard and Mr. Block.

It was pointed out that the Government could not very well control and operate a newspaper, and that for the Government actually to assume possession of the property through the Rumely stock might seriously impair whatever value it had. If the stock held by Dr. Rumely is held to be enemy property the question would then turn upon what value it would represent to the Government, above and beyond the interest of the bondholders in the newspaper property.

The Government appears to be more interested for the moment in discovering whether all of the \$1,361,000 turned over to Dr. Rumely went into the *Evening Mail* or whether some of it was used for other purposes. Officials here are not at all satisfied that all of the money went into the newspaper property. What records they have discovered do not seem to account for so large an outlay, it was said.

2 TAKEN IN DYNAMITE PLOT.
Ex-Austrian Officer Accused of Menacing Roebeling Plant.

TRENTON, July 10.—Suspected of plotting to dynamite the otherwise deserted large wire mills of the John A. Roebeling Sons' Company at Roebeling, near here, Erwin P. Eronowsky, a drugist and formerly a lieutenant in the Austrian army, was arrested today. With him was arrested Ladslaw Romanowsky, who is being held as a material witness by Federal authorities. Both are residents of Roebeling and natives of Austria.

Suspicion was aroused against Eronowsky because of experiments he conducted with high explosives and his actions about the plant.

Turkish Cabinet to Remain.
WASHINGTON, July 10.—The Turkish Cabinet will remain in office, according to a despatch from Saitpazari, which says the Sultan has confirmed the appointment of the Grand Vizier and of the Sheikh ul Islam.

AMERICA WILL SEND FOOD INTO MEXICO

Carranza Government in Return Will Permit Certain Exports.

MEXICO CITY, July 10.—Notification that the United States Government would permit free exportation to Mexico of certain foodstuffs under certain restrictions and under direction of the Federal Food Administration, was presented to the Mexican Government today through the American Embassy.

The notification made it clear that the United States expected that the Mexican Government in return would permit exportation to the United States of articles not needed by Mexico, and also guarantee that imports from the United States would not be reexported. It was also stated that articles on the list for free export were not the only articles that Mexico could obtain. If other imports were desired, the Mexican Government, through proper representations, could secure additional imports if those articles were not absolutely necessary to the United States for the prosecution of the war.

The action of the American Government is explained as its method of giving proof of the sincerity of the declarations of friendship for Mexico made by President Wilson in his address to Mexican Journalists in Washington early in June.

The articles listed in the notification follow: Corn, corn flour, condensed milk, cocoa, dried fruits, peas, soap, pork, lard, butter, corned beef, oil, candy, sardines and agricultural implements.

CORN NOW AVAILABLE.
Metals and Machinery Also May Move Under New Mexico Pact.

WASHINGTON, July 10.—In giving "concrete expression" to the "friendly sentiment" for Mexico expressed by President Wilson to Mexican editors at the White House recently the State Department announced today that it had arranged for the exportation to Mexico of 1,500,000 bushels of corn, manufactured articles of tin, steel, zinc and copper, agricultural machinery and certain foodstuffs.

Export licenses for the commodities will be granted freely, it was announced, subject only to the restrictions imposed by the laws and regulations of the United States.

United States respecting trading with the enemy.

Articles for the exploitation of mines and mining machinery will be exported and arrangements are being made to license for export a considerable amount of railway equipment, the character of which it is announced has been communicated to the Mexican Government.

The State Department announced that the list of articles for export made public today both here and by the American Ambassador in Mexico City "is not meant to be exclusive."

Police Accept Five Ambulances.
The Police Department acknowledged yesterday the gift of five ambulances to be used by the city in emergency cases. They were presented by the Calvary Episcopal Church, the Friars Club, the Church of the Ascension, the Knights of Columbus and the Fifth Masonic Division. All will be kept in city garages.

Annual Sale Of John David Straw Hats
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THE braids include Senitis, Splits, Baliluks, Mackinaws, Bangkoks, Milans, Leghorns and Panamas in my own smartly private shapes.

Half price for superb Monte Christo Panamas that were \$35 to \$50.

JOHN DAVID
STEIN-BOCH-SMART CLOTHES
Broadway at 32nd Street

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The Immediate Relief To Italy Fund

No Delays. No Red Tape. Contributions Cabled Weekly. The Money You Give This Week Will Be Doing Its Work Next Week.

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LITTLE WAIFS OF THE WAR—ITALIAN REFUGEE CHILDREN

It is "now or never" for Italy. The Enemy's Great Offensive against our brave Ally has only begun, in a final effort to crush her before America's Armies arrive; and, though temporarily repulsed, will shortly be renewed.

Critical as is the situation at the Italian Front, it is even more so behind the Line.

The Military Hospitals are in great need of immediate help, for their most vital work is to heal the wounded and send them back again to help hold that hard-pressed Line. Hospital supplies of many kinds, such as anesthetics, can be purchased in Italy with the money to do so—money is the basic necessity.

Fifteen Hundred Thousand Refugees, most of them destitute, have flooded down from the invaded provinces into cities and towns and villages whose inhabitants are already greatly weakened by the long strain of war and need help to bear this added burden.

Italy's Civil Population generally is also suffering much privation and is threatened by even greater distress. Exchanged Prisoners in great numbers have come back to Italy tuberculous and physically wrecked and incapable of supporting their families or themselves.

Thousands of those Maimed and Blinded in Battle, though healed, are still incapacitated and unable to earn a living.

The Italian Government is forced to use the major part of its resources for the prosecution of the war—to keep back the invader.

Italy's Most Pressing Need Today is for Money for Immediate Relief, to reach these critical conditions behind her fighting lines and thus support her heroic defense.

A Chain Is as Strong as Its Weakest Link, no stronger. The Italian Front is the Weakest Front in the Western Allied chain—because it is the most difficult front to hold. If Italy breaks, France will be in the grip of the German pincers, pressing from north and south, and our Common Cause may be lost.

Money Contributions to this organization insure certain and immediate relief; for, after deducting a very small portion of the same for our modest overhead expenses, all such contributions are transmitted weekly by our Banker to Italy's accredited representative to this country, His Excellency the Italian Ambassador, and cabled by him immediately to authorized centres of War Relief Work in Italy, from where His Excellency secures proper acknowledgments of all remittances.

The Italian Relief Organizations, as the result of much experience through Earthquakes, Eruptions, Epidemics, and in the Tripolitan War, as well as in the past three years of the present conflict, are exceptionally efficient and can be trusted to expend the funds received by them effectively and economically.

If You Love Italy, if she has ever meant anything to you intellectually or spiritually, help her now in this hour of her supreme need.

As You Love Our Common Cause, Help Italy, whose defeat may mean our defeat.

Kindly send us a check now, making it payable to "The Immediate Relief to Italy Fund," and forwarding the same to our Banker, Messrs. J. P. Morgan & Co., 23 Wall St., New York City.

Honorary Officers of the Organization:
Honorary President,
His Excellency, The Italian Ambassador.

Honorary Vice-President,
Her Excellency, The Ambassadoress.

Officers and Executive Committee:
President,
Mr. Charles MacVeagh.

Vice-Presidents,
Hon. Elihu Root
Mr. J. P. Morgan

Hon. Charles S. Fairchild
Mr. George W. Hartor Pepper

Treasurer,
Mr. Richard Trimble

Secretary,
Mr. Lewis Niles Roberts

Banker for the Organization:
Messrs. J. P. Morgan & Co.

All letters of inquiry or suggestion should be addressed to Mr. Lewis Niles Roberts, Secretary, Room 1010, 21 Broadway, New York.

The Ambassador's Endorsement:
ROYAL ITALIAN EMBASSY
Washington

My Dear Mr. Roberts: June 6, 1918.

I am very much pleased with the work you are doing for "The Immediate Relief to Italy Fund." I am sure that all lovers of Italy will respond to your appeal with the generosity which has been characteristic in the past.

Very sincerely yours,
(Signed) MACCHI DI CELLERE

IF YOU LOVE ITALY HELP HER NOW
Written by the Secretary

U.S. Marines

They man the anti-aircraft guns on shipboard; and the batteries that "get" the submarines.

Ashore, they are infantry and artillery. Marines are air-men, too.

The Marine Corps is the Three-in-One branch of the service. As such it calls for exceptional men.

The present increase in the Corps gives you the chance to enlist. Let's see if you are built of the stuff that will make a U. S. Marine!

REGISTERED MEN: Ask your Local Board to let you volunteer. Unregistered men, enlist in the U. S. Marines quickly, while you can.

Apply at the
U. S. MARINE CORPS RECRUITING STATION

Globe, Anchor and
Eagle means
"U. S. Marine"



It has been amusing to us to see the avidity with which rival makers and especially salesmen, have echoed the Chalmers statements about the "Hot Spot" and its virtues.

If you believe all you hear, they all have the "Hot Spot" now.

But when you analyze the various assertions, you find that while they use the term, it is doubtful if they really know what it means.

For example, one maker advertises that the "Hot Spot" makes his motor start easier when cold. Now that is ridiculous. The "Hot Spot" does not come into action until it is made hot by the exhaust from the running motor.

So you see it has no bearing whatsoever on the starting of the motor, easy or otherwise.

It is that other Chalmers feature, the "Rams Horn" manifold, that makes the Chalmers start easy at all times, in all climates and with all brands of gasoline,—good, bad and indifferent.

We have featured the combination of "Hot Spot" and "Rams Horn" Manifold as giving to this car qualities possessed in the same degree by no other name;—gasoline economy, smooth running, more power and easy starting.

It's a pity there is no way of patenting adjectives or copyrighting coined phrases—it would protect copyists from falling into ridiculous errors!

The terms "Hot Spot" and "Rams Horn" are coined phrases originated in Chalmers publicity and, according to all the ethics of advertising, they belong exclusively to the Chalmers.

So far as we are concerned, we don't care how many copy the terms—imitation is the sincerest form of flattery.

Nor do we object to other engineers applying the principles indicated by those terms—if they know how.

One of the rewards of leadership is to be copied—imitated.

But it would seem as if the engineer who tries to achieve results by adopting these Chalmers discoveries, might instruct the sales organization as to what each feature does—for surely someone is in error as to that if we are to judge by the advertisements.

By the way; you have read and heard much about these two Chalmers discoveries—do you really know what a tremendous improvement they, together, make in a motor car?

If you don't, just ask a Chalmers salesman—he will be delighted to tell you, and then you'll understand why everybody in the trade says, "This is a Chalmers year."



Touring Car, 7-Passenger \$1615
Touring Sedan, 5-Passenger \$1565
Standard Roadster, 2-Passenger \$1505

Touring Sedan, 5-Passenger \$1600
Cabriolet, 3-Passenger \$1775
Town Car, 7-Passenger \$2925

Town Car Landaulet, 5-Passenger \$2095
Limousine, 7-Passenger \$2925
Limousine Landaulet, 5-Passenger \$2095

All Prices F. O. B. Detroit Subject to Change Without Notice

CHALMERS - NEW YORK
Chalmers Sales Company, 1826-28 Broadway, Columbus 5410. Open Evenings.
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